Terrorist outfits operating in stock market

1115. SHRI PYARELAL KHANDELWAL: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that Indian stock market is being manipulated by terrorist outfits, if so, the details thereof;

(b) if so, what are the reasons behind frequent fluctuation of stock market; and

(c) whether Government has any comprehensive plan/strategy to make stock market stable?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) SEBI has informed that there is no evidence of the participation of terrorist outfits in the stock market.

(b) Does not arise in view of answer to part (a) above.

(c) The authorities do not try to manage or control movement of stock indices. They have put in place systems and practices to promote a safe, transparent and efficient market and to protect market integrity. The systems instituted include advanced risk management mechanisms comprising on-line monitoring and surveillance, various limits on positions, margin requirements, circuit filters, etc. The systems and practices are reviewed continuosly and modified to meet emerging needs. Measures taken to broaden and deepen markets include screen based trading system, dematerialization of securities, corporatization and demutualization of exchanges, settlement through clearing corporation, trading in derivatives, etc.

Inspection of companies under section 209A of the companies act

1116. DR. V. MAITREYAN: Will the Minister of CORPORATE AFFAIRS be pleased to state:

(a) how many companies were inspected under Section 209A of the Companies Act during the last five years, year-wise;

(b) why all listed companies whose shares are quoted below par are not being inspected under the Act since public investors have lost their capital in these companies; and

(c) what steps are being taken to rectify the system to give relief to investors?

THE MINISTER OF CORPORATE AFFAIRS (SHRI PREM CHAND GUPTA): (a) Details of the number of inspections conducted by the Ministry of Corporate Affairs during last five financial years are as under:—

Year	Number
2002-2003	150
2003-2004	109
2004-2005	197
2005-2006	253
06-2007	221